

**THE
GREENBRIER
COMPANIES**

The Greenbrier Companies

One Centerpointe Drive Suite 200
Lake Oswego Oregon 97035

503 684-7000
RECORDATION NO. 17890-1423

JUL 15 1992 1 42 PM

INTERSTATE COMMERCE COMMISSION

July 13, 1992

2-197A019

RECORDATION NO. 17890 FILED 1423

JUL 15 1992 1 42 PM New No. A

INTERSTATE COMMERCE COMMISSION

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
12th and Constitution Avenues, N.W.
Washington, D.C. 20423

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are three (3) fully executed and acknowledged originals of a Mortgage, Security Agreement and Lease Assignment dated as of July 1, 1992 and three (3) fully executed and acknowledged originals of an Assignment of Rights under Purchase Agreement for Security dated July 1, 1992, both primary documents as defined in the Commission's Rules for the Recordation of Documents, 49 C.F.R. Section 1177.

The names and addresses of the parties to the enclosed documents are:

Borrower: Greenbrier Leasing Corporation
One Centerpointe Drive, Suite 200
Lake Oswego, OR 97035

Secured Party: National Bank of Canada
New York Branch
125 West 55th Street
New York, NY 10019

Assignor: Greenbrier Leasing Corporation
One Centerpointe Drive, Suite 200
Lake Oswego, OR 97035

Assignee: National Bank of Canada
New York Branch
125 West 55th Street
New York, NY 10019

JUL 15 1 55 PM '92
NOTICE OF RECORDING UNIT

Mr. Sidney L. Strickland, Jr.

July 13, 1992

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A description of the railroad equipment covered by the enclosed documents is one hundred fifty (150) Husky-Stack® single unit railcars built by Gunderson, Inc. bearing marks and numbers GBRX 2400 through GBRX 2549, inclusive.

Also enclosed is a payment of \$32 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return three (3) stamped originals of each of the enclosed documents to Robert W. Alvord at the following address:

Alvord & Alvord
918 16th Street, NW
Washington, D.C. 20006

A short summary of the enclosed secondary document to appear in the Commission's Index is:

Mortgage, Security Agreement and Lease Assignment dated as of July 1, 1992 and Assignment of Rights Under Purchase Agreement for Security also dated as of July 1, 1992 between Greenbrier Leasing Corporation, Borrower and Assignor, and National Bank of Canada, Secured Party and Assignee, covering one hundred fifty (150) Husky-Stack® single unit railcars built by Gunderson, Inc. bearing marks and numbers GBRX 2400 through GBRX 2549, inclusive.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Maughan", with a stylized flourish at the end.

Kevin C. Maughan
Staff Attorney

KCM:jeh

Interstate Commerce Commission
Washington, D.C. 20423

7/15/92

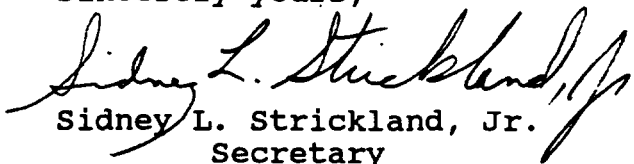
OFFICE OF THE SECRETARY

Kevin C. Maughan
The Greenbrier Companies
One Counterpointe Drive, Suite 200
Lake Oswego, Oregon 97035

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/15/92 at 1:40pm, and assigned recordation number(s). 17890 & 17890-A

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

JUL 15 1992 1 40 PM

INTERSTATE COMMERCE COMMISSION

MORTGAGE, SECURITY AGREEMENT AND LEASE ASSIGNMENT
(Cars Nos. GBRX2400 through GBRX2549, inclusive,
and Replacement Cars)

This MORTGAGE, SECURITY AGREEMENT AND LEASE ASSIGNMENT, dated as of July 1, 1992 (this "Security Agreement"), is by and between Greenbrier Leasing Corporation, of One Centerpointe Drive, Suite 200, Lake Oswego, Oregon 97935, a Delaware corporation (the "Borrower"), and National Bank of Canada, New York Branch, of 125 West 55th Street, New York, New York 10019, a Canadian chartered bank licensed to do business under the banking laws of the State of New York (the "Lender").

WHEREAS, the Lender has agreed to make a loan (the "Loan") to the Borrower pursuant to the Loan Agreement of even date herewith (the "Loan Agreement") to enable the Borrower to finance a portion of the construction cost of the Initial Cars;

WHEREAS, it is a condition precedent of the Lender's obligation to the Borrower under the Loan Agreement to make the Loan that the Borrower execute and deliver this agreement (hereinafter the "Security Agreement").

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Defined Terms.

1.1 Definitions. Capitalized terms used herein and defined in Appendix A hereto shall, except as such definitions may be specifically modified in the body of this Security Agreement for the purposes of a particular section, paragraph or clause, have the meaning given such terms in Appendix A.

1.2 Other Terms. Capitalized terms defined herein shall be given the meanings assigned in this Security Agreement. All references to documents defined herein or in the Loan Agreement shall refer to such documents as they may from time to time be amended, unless otherwise specified.

2. Security Interest. As security for the payment and performance of the Obligations (and in the case of principal and interest on the Notes, whether as scheduled or upon acceleration) and of all costs of collection and

enforcement of the Obligations, the Borrower hereby mortgages, pledges and assigns to the Lender, and hereby creates in and grants to the Lender, a continuing first priority mortgage and security interest in and to all of its right, title and interest in and to, but none of its obligations or liabilities respecting, the following, and all replacements, proceeds and products of the following, whether now owned or hereafter acquired (collectively, the "Collateral"):

2.1 all right, title and interest of the Borrower in and to the Cars identified in Schedule A hereto including all additions, alterations, or modifications thereto or replacements of any part thereof (including all Replacement Cars), whenever made or performed or acquired and all other items of tangible personal property of any kind acquired by the Borrower in connection with the acquisition of the Cars, in each case whether now owned by the Borrower or hereafter acquired, together with all logs, manuals and data and inspection, maintenance, modification, overhaul records (and all rights and interests therein that the Borrower may have) relating to the Cars whether maintained pursuant to Applicable Law or otherwise.

2.2 The Lease attached as Schedule B hereto, including, without limitation, all amounts of Rental (including both Fixed Rent and Variable Rent), Supplemental Rent, insurance proceeds, sales proceeds (including payments of Exercise Price as defined in the Norfolk Southern Lease), requisition, indemnity and other payments of any kind for or with respect to the Cars or otherwise or any of the Operative Documents and all rights of the Borrower as Lessor to exercise any election or option or to make any decision or determination or to give any notice, consent or waiver or approval under or in respect of the Lease or to accept any surrender of any of the Cars or any part thereof, as well as all rights, powers and remedies on the part of the Borrower as Lessor, whether arising under the Lease or by statute or at law or in equity or otherwise, arising out of an Event of Default;

2.3 the Purchase Agreement (to the extent assigned to the Lender pursuant to the Assignment) and the Assignment;

2.4 all tolls, rents, issues, profits, products, insurance proceeds, revenues and other income of the property subject or required to be subject to the Lien of this Security Agreement;

2.5 all moneys and securities from time to time deposited or required to be deposited with the Lender pursuant to any of the Operative Documents; and

2.6 all proceeds of the foregoing.

BUT EXCLUDING, however, from the property, rights and privileges subject to this Section 2 all Excepted Property.

(Concurrently with the delivery hereof, the Borrower is delivering to the Lender the original executed counterpart of the Lease, to which a chattel paper receipt is attached, an executed counterpart of the Assignment and a copy of the Purchase Agreement, certified by the Lessee as a true copy.)

TO HAVE AND TO HOLD all and singular the aforesaid property unto the Lender, its successors and assigns, and for the uses and purposes, and subject to the terms and provisions, set forth in this Security Agreement.

Without limiting the generality of the foregoing, and for the same consideration as set forth above, the Borrower hereby unconditionally, presently and irrevocably assigns, transfers and sets over to the Lender, its successors and assigns, as part of the Collateral hereby created, all estate, right, title and interest of the Borrower, as Lessor, in, to and under the Lease, including, without limitation, all amounts of Rental (including both Fixed Rent and Variable Rent), Supplemental Rent, insurance proceeds and requisition, indemnity and other payments of any kind for or with respect to the Cars including all rights of the Borrower as Lessor to exercise any election or option or to make any decision or determination or to give any notice, consent, waiver or approval under or in respect of the Lease or to accept any surrender of any of the Cars, or any part thereof, as well as all rights, powers and remedies on the part of the Borrower, as Lessor, whether arising under the Lease or by statute or at law or in equity, or otherwise arising out of any Event of Default, and all rights, powers and remedies of the Borrower under the Purchase Agreement (to the extent assigned to the Borrower pursuant to the Assignment) and the Assignment, BUT EXCLUDING, however from the property, rights and privileges subject to these assignment clauses all Excepted Property. The foregoing assignment is intended as a present assignment and attaches upon and becomes fully effective upon the delivery hereof and is subject to no other condition or contingency for it to become so effective.

It is expressly agreed that all of the property of the Borrower subject to the Lien of this Security Agreement, including without limitation the Cars, is security for any and all Obligations secured by this Security Agreement, including without limitation, all Obligations in respect of any Note, and, upon the happening of any Event of Acceleration and for so long as the Event of Acceleration shall be continuing, the Lender shall be entitled to exercise the remedies herein provided.

The Borrower does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not mortgage, assign or pledge, so long as this Security Agreement and the Loan Agreement shall remain in effect, any of its right, title or interest hereby mortgaged, assigned and pledged, to anyone other than the Lender, and any such attempted mortgage, assignment or pledge shall be void and that it will not, except as provided in this Security Agreement, (i) enter into any agreement amending or supplementing, or granting any consent or approval or giving any notice with regard to, the Lease, the Assignment or the Purchase Agreement (to the extent assigned by the Assignment), or (ii) accept any payment mortgaged, assigned and pledged hereunder, or (iii) settle or compromise any material claim assigned hereunder arising under the Lease, the Assignment or the Purchase Agreement, or (iv) submit or consent to the submission to arbitration of any dispute, difference or other matter arising under or in respect of the Lease, the Purchase Agreement or the Assignment, in each case to the extent assigned hereunder.

The Borrower does hereby ratify and confirm the Lease and the Assignment and does hereby agree that it will not, except as provided in this Security Agreement or the Loan Agreement, take any action altering, or omit to take any action required to prevent the alteration of, the Lease, the Assignment, the Purchase Agreement, or this assignment or any of the rights created by the Lease, the Assignment, the Purchase Agreement or the assignment hereunder.

3. Representations, Warranties and Agreements.
The Borrower represents, warrants and agrees as follows.

3.1 Chief Executive Office. The Borrower's chief executive office is located at the address given in the first paragraph of this Security Agreement. The Borrower will give the Lender notice in writing at least 60 days prior to any change in location of its chief executive office, provided, however, that the Borrower will not change its

chief executive office if such change would adversely affect the Lender's ability to preserve the rights and the Lien created under this Security Agreement.

3.2 Lease of Cars. The Initial Cars are leased to Norfolk Southern by the Borrower pursuant to and under the Lease beginning not later than the Funding Date.

3.3 Liens; Authority of Borrower. The Borrower has good and marketable title to the Collateral and will at all times keep the Collateral free of all Liens, except Permitted Liens, and has full power and authority to execute this Security Agreement, to perform the Borrower's obligations hereunder and to subject the Collateral to the security interest created hereby. The Borrower will pay all fees, assessments, charges or taxes arising with respect to the Collateral. There is no Lien with respect to all or any part of the Collateral, except for Permitted Liens. All costs of keeping the Collateral free of Liens prohibited by the Loan Agreement or this Security Agreement and of removing the same if they should arise shall be borne and paid by the Borrower.

3.4 Agreements Constituting or Evidencing Collateral. Each item of Collateral that is an agreement or other document (each, a "Collateral Document") is a valid, genuine and legally enforceable obligation, subject to no defense, setoff or counterclaim of the obligor named therein. The Borrower will not agree to any modification, amendment or cancellation of any such obligation without the Lender's prior written consent and will not subordinate any right to payment of the Borrower thereunder to claims of other creditors of such obligor.

3.5 Performance of Lease; Payments under Lease. The Borrower will perform and comply with each and every term of the Lease, each Collateral Document, the Loan Agreement, the Notes and this Security Agreement to be performed or complied with by the Borrower. The Borrower has directed the Lessee under the Lease, and such Lessee has agreed, to make all payments of Rental and Supplemental Rent and all other amounts required to be paid to or deposited with the Borrower, as Lessor, pursuant to the Lease, directly to the Lender, so long as the Loan Agreement shall remain in effect, at such address as the Lender may from time to time specify, for application as provided in the Loan Agreement. The Borrower agrees that should it receive any such payments so directed to the Lender or any proceeds for or with respect to the Collateral or as the result of the sale or other disposition thereof, it will promptly forward such payments

to the Lender or in accordance with the Lender's instructions. Notwithstanding anything which may be to the contrary contained in this Section or elsewhere in this Security Agreement, it is understood and agreed that the Lender shall not be obligated to make any application of payments until the funds therefor have been received by the Lender in cash or other immediately available funds.

3.6 Attorney-in-Fact. The Borrower hereby irrevocably constitutes the Lender its true and lawful attorney, coupled with an interest, with full power (in the name of the Borrower or otherwise) for the purpose of enforcing the Borrower's rights as the Lessor under the Lease or otherwise under the Lease or any other item of Collateral which is an agreement or document and of effectuating any sale, assignment, transfer or delivery for the enforcement of this Security Agreement, whether pursuant to foreclosure or power of sale or otherwise, and to execute and deliver all bills of sale, assignments and other instruments as the Lender may consider necessary or appropriate, with full power of substitution. If so requested by the Lender or any purchaser, the Borrower shall ratify and confirm any such sale, assignment, transfer or delivery by executing and delivering to the Lender or such purchaser all bills of sale, assignments, releases and other proper instruments to effect such ratification and confirmation as may be designated in any such request.

3.7 No Assumption by Lender. Anything contained herein or in any other document to the contrary notwithstanding: (a) the Borrower shall at all times remain primarily liable to the Lessee under the Lease, and to any other obligee under any Collateral Document, to perform all its duties and obligations thereunder to the same extent as if this Security Agreement had not been executed; (b) the exercise by the Lender of any of the rights assigned to it hereunder shall not release the Borrower from any of its duties or obligations under the Lease or under any other Collateral Document; and (c) the Lender shall not have any obligation or liability under the Lease or under any other Collateral Document by reason of, or arising out of, this Security Agreement, or be obligated to perform any of the obligations or duties of the Borrower under the Lease or under any other Collateral Document or to make any payment or to make any inquiry as to the sufficiency of any payment received by it or to present or file any claim or to take any other action to collect or enforce any claim for any payment assigned hereunder, or to pay or to see to the payment of or to make any filings in respect of any taxes levied on or with

respect to the Lease or any other Collateral Document, the payments thereunder or the Cars.

3.8 Dealings with Lessee. Unless the prior written consent of the Lender are obtained, in the Lender's sole discretion, the Borrower shall not waive, amend, modify, or in any way alter any of the terms of the Lease or any other Collateral Document, or cancel or terminate the Lease or any other Collateral Document or consent to or accept any cancellation, termination or surrender thereof, or waive any default under or breach of the Lease or any other Collateral Document, or consent to or accept any prepayment of any amount under the Lease or any other Collateral Document or agree to any discount of any amount thereunder, or give any other consent or notice with respect to the Lease or any other Collateral Document (other than a notice with respect to a default under the Lease or any other Collateral Document or immaterial notices which do not affect the Borrower's rights under the Lease or any other Collateral Document) or make any agreement with the Lessee or with any other Person with respect to the Lease or any other Collateral Document. Borrower will enforce its rights against the Lessee under the Lease, subject to the right of the Lender to enforce the rights of the Lessor under the Lease after an Event of Default has become an Event of Acceleration. Borrower will, promptly upon receipt thereof, deliver to the Lender copies of any notice or other communication received by it from the Lessee in connection with the Lease.

3.9 Further Information. The Borrower will furnish the Lender such additional information concerning the Collateral as the Lender may from time to time reasonably request.

3.10 Maintenance of Security Interest; Registration. The Borrower will at any time or times hereafter execute and file or record such financing statements (and amendments thereto and assignments thereof) and other documents and instruments and perform such acts as the Lender may from time to time reasonably request or as may be prudent or necessary to establish, perfect, maintain and continue the perfection and priority of and enforce a valid first priority security interest in the Collateral, and will pay all costs and expenses of: all filings and recordings, including taxes thereon; all searches necessary or reasonably deemed necessary by the Lender to establish and determine the validity and the priority of such security interest; and all cancellations and satisfactions of all Liens other than Permitted Liens. The Borrower hereby authorizes the Lender to sign and file such financing statements (and amendments

thereto and assignments thereof) and such other documents and instruments and to perform such other acts without the signature or consent of the Borrower to the fullest extent permitted by Applicable Law in order to carry out the purposes, and subject to the terms, of this Security Agreement and the Loan Agreement.

3.11 Insurance. (a) The Borrower will at all times during the term of this Security Agreement carry and maintain or cause to be carried and maintained, at its or the Lessee's cost and expense, (i) such insurance as is required by the Lease and (ii) the insurance required to be maintained by the Borrower under the Loan Agreement.

(b) All insurance payments shall be applied as provided in the Loan Agreement.

3.12 Notice of Damage to Collateral. The Borrower will promptly notify the Lender of any loss of or material damage to any Collateral or of any adverse change in respect thereof known to the Borrower, and in connection therewith the prospect of payment of any sums due under the Lease or under any other Collateral Document. In the event of an Event of Acceleration, the Lender may at any time contact the Lessee or any party to any Collateral Document for the purpose of verifying the status of any payments due under the Lease.

3.13 Disposition of Collateral. The Borrower will not sell, transfer, convey, lease or otherwise dispose of the Collateral, or attempt or offer to do any of the foregoing, without the prior written consent of the Lender and unless the proceeds of any such sale, transfer, lease or other disposition are paid directly to the Lender in a manner reasonably acceptable to the Lender and are applied to the Notes pursuant to Section 7(j) of the Loan Agreement and to the other Obligations pursuant thereto; provided, however, that the Borrower may dispose of the Collateral as contemplated by Sections 7(j) and 10 of the Loan Agreement and any disposition of the Collateral must be in accordance with such Sections 7(j) and 10. No provision contained in this Security Agreement shall be construed to authorize any sale, transfer, lease or other disposition of the Collateral by the Borrower except on the conditions contained in this paragraph.

3.14 Delivery of Collateral. Upon the Borrower's receipt thereof (whether or not a Potential Event of Acceleration or Event of Acceleration has occurred) the Borrower will promptly deliver to the Lender any original of

the Lease and any other original Collateral Documents that are in the Borrower's possession.

3.15 Notation of Security Interest. The Borrower shall place on the Lease and on any other item of Collateral a notation or legend showing the Lender's security interest, as required by the Loan Agreement and this Security Agreement.

3.16 Payment of Charges, etc. At any time after an Event of Acceleration or Potential Event of Acceleration (as determined by the Lender in its sole discretion), the Lender may (without any obligation to do so) at any time, as examples and not as limitations, effect insurance and necessary repairs to the Collateral and pay the premiums therefor and the costs thereof, pay and discharge any fees, assessments, charges, taxes, liens and encumbrances on the Collateral and perform any of the Borrower's obligations or exercise any of its rights under the Lease or the Purchase Agreement (but only after an Event of Default has become a Potential Event of Acceleration or an Event of Acceleration) or any other Collateral Document. All sums so advanced or paid by the Lender shall be payable by the Borrower to the Lender on demand with interest at the rate per annum equal to the Overdue Rate and shall be a part of the Obligations.

3.17 Remedies Upon Event of Acceleration. Upon the occurrence of an Event of Acceleration, the Lender may, without notice or demand of any kind, and in addition to any remedies provided in the Loan Agreement, (a) appropriate any and all balances, credits, deposits, accounts or moneys of or in the name of the Borrower then or thereafter with the Lender and (b) exercise all rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law. Without limiting the foregoing, the Lender shall have the authority, but shall not be obligated, to: (a) declare all or any part of the Notes and the other Obligations immediately due and payable, without demand or notice; (b) notify the Lessee or any or all obligors on agreements or instruments constituting Collateral of the existence of the Lender's security interest and to require any or all such obligors to pay or remit all sums due or to become due directly to the Lender or its nominee; (c) in the name of the Borrower or otherwise, demand, collect, receive and receipt for, compound, compromise, settle and give acquittance for, and prosecute and discontinue any suits or proceedings in respect of any or all of the Collateral; (d) take any action which the Lender may deem necessary or desirable in order to realize on the Collateral, including,

without limitation, performing any contract or endorsing in the name of the Borrower any checks, drafts, notes or other instruments or documents received in payment of or on account of the Collateral; (e) make any claim for, negotiate settlement of claims for, receive payment for and execute and endorse any documents, checks or other instruments in payment for loss, theft or damage under any insurance policy covering all or part of the Collateral; (f) enter upon any premises where any of the Collateral may be located and take possession of and remove such Collateral; and (g) sell, lease or otherwise dispose of any or all of the Collateral, free of all rights and claims therein and thereto of the Borrower, at any public or private sale (at which sale the Lender may bid for and purchase any or all of the Collateral).

3.18 Disposition and Care of Collateral;

Waivers. Upon an Event of Acceleration, the Borrower shall make the Collateral available or, cause the Collateral to be made available, to the Lender at a place (or places) to be designated by the Lender, which is reasonably convenient to Lender, and shall pay all costs of the Lender, including reasonable attorneys' fees, in the collection of any of the Obligations and the enforcement of any of the Lender's rights. If any notification of intended disposition of any of the Collateral is required by law, such notification shall be deemed reasonably and properly given if given at least 10 days before such disposition. Lender may employ or use any agent or broker selected by it in connection with the sale or other disposition of the Collateral and any reasonable fees or expenses of such agent or broker shall be at the sole cost of the Borrower, such fees or costs to constitute Obligations hereunder. The Lender's duty of care with respect to Collateral in its possession (as imposed by law) shall be deemed fulfilled if the Lender exercises reasonable care in physically safekeeping such Collateral or, in the case of Collateral in the custody or possession of a bailee or other third person, exercises reasonable care in the selection of the bailee or other third person, and the Lender need not otherwise preserve, protect, insure or care for any Collateral. The Lender shall not be obligated to preserve any rights the Borrower may have against other parties or to realize on the Collateral at all or in any particular manner or order. No delay or failure by the Lender in the exercise of any right, remedy, power or privilege shall constitute a waiver thereof, and no single or partial exercise by the Lender of any right, remedy, power or privilege shall preclude other or further exercise thereof or the exercise of any other right, remedy, power or privilege, and no waiver shall be valid unless in writing and signed by the Lender,

and then only to the extent specifically set forth in such writing.

3.19 Applications of Proceeds of Sale; Deficiency. The proceeds of the sale or other disposition of any of the Collateral shall be applied by the Lender to payment of Obligations as provided in the Loan Agreement. If the sale, collection or other disposition of the Collateral fails to satisfy fully the Obligations, the Borrower shall remain liable to the Lender for any deficiency.

4. Miscellaneous.

4.1 Notices. All written notices, requests and demands required or permitted to be given pursuant to this Security Agreement shall be given to or made upon each party hereto at the address set forth in the Loan Agreement, or to such other address as shall be designated by such party in a written notice to the other party. All notices, requests and demands given or made in accordance with the provisions of this Security Agreement shall be deemed to have been properly given when delivered as required by the Loan Agreement.

4.2 Benefit of Agreement. This Security Agreement shall be binding upon and inure to the benefit of the Borrower and the Lender and their respective successors and permitted assigns.

4.3 Assignment. Subject to the terms and provisions of the Loan Agreement, neither this Security Agreement nor any of the other Operative Documents may be assigned by the Borrower, in whole or in part, without the prior written consent of the Lender. The Lender may assign their interests in the Operative Documents as provided in the Loan Agreement.

4.4 Remedies. All remedies, rights, powers and privileges, either under this Security Agreement or by law or otherwise afforded the Lender shall be cumulative and not be exclusive of any remedies, rights, powers and privileges provided by law and shall be available until the Obligations have been paid in full in lawful money of the United States of America. All of such remedies may be exercised in any order of priority.

4.5 Continuing Security Interest; Release. Section 2 hereof shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until payment in full of the Obligations and

termination of such security interest as provided in the next sentence of this Section 4.5, (b) be binding upon the Borrower and its successors and assigns, and (c) inure, together, with the rights and remedies of the Lender hereunder, to the benefit of the Lender, its assigns and successors. If no breach, Potential Event of Acceleration or Event of Acceleration exists under any document evidencing any of the Obligations, the security interest granted by Section 2 hereof shall terminate when all Obligations of the Borrower to the Lender hereunder, under the Loan Agreement, and the Notes, shall have been paid in full, at which time the Lender shall return the Notes to Borrower and reassign, release and/or deliver to the Borrower the Collateral and proceeds thereof in which the Lender shall have an interest hereunder and, upon request and at the expense of the Borrower, shall execute and deliver termination statements to the Borrower for filing in each office in which a financing statement has been filed by the Lender, all without recourse upon or warranty by the Lender and at the cost and expense of the Borrower.

4.6 Survival of Representations, Warranties and Covenants. All representations, warranties and covenants made by the Borrower to the Lender in connection with this Security Agreement shall survive the execution and delivery of this Security Agreement. All statements contained in any certificate or other instrument signed by an officer of the Borrower and delivered to the Lender pursuant to this Security Agreement shall be deemed representations, warranties and covenants hereunder of the Borrower.

4.7 Form of Reports, Schedules and Assignments. All reports, schedules, assignments, certificates and other items delivered to the Lender pursuant to this Security Agreement or any other statement, instrument or transaction contemplated thereby or relating thereto and all endorsements in connection therewith, shall be executed by an authorized representative of the Borrower and shall be in form and substance satisfactory to the Lender.

4.8 Governing Law and Construction. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. This Security Agreement has been delivered in the State of New York. Whenever possible, each provision of this Security Agreement and any other statement, instrument or transaction contemplated thereby or relating thereto shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Security Agreement or any

other statement, instrument or transaction contemplated thereby or relating thereto shall be held to be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement or any other statement, instrument or transaction contemplated thereby or relating thereto. In the event of any conflict within, between or among the provisions of this Security Agreement or any other statement, instrument or transaction contemplated thereby or relating thereto, those provisions giving the Lender the greater right shall govern.

4.9 Headings. Section headings in this Security Agreement are for convenience in reference only and shall not govern the interpretation of any of the provisions of this Security Agreement.

4.10 Counterparts. This Security Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto were upon the same instrument.

4.11 Consent to Jurisdiction by Parties. THE BORROWER HEREBY IRREVOCABLY AGREES THAT ANY SUIT, ACTION, PROCEEDING OR CLAIM AGAINST IT ARISING OUT OF, OR RELATING IN ANY WAY TO, THIS SECURITY AGREEMENT, THE NOTES OR THE LOAN AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK OR IN ANY OTHER COURTS HAVING JURISDICTION. THE BORROWER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SAID ACTION OR PROCEEDING BY THE MAILING OF THE COPIES THEREOF BY CERTIFIED AIR MAIL, POSTAGE PREPAID, TO THE BORROWER AT ITS ADDRESS SET FORTH HEREIN, SUCH SERVICE TO BECOME EFFECTIVE UPON THE EARLIER OF (I) THE DATE 15 DAYS AFTER SUCH MAILING OR (II) ANY EARLIER DATE PERMITTED BY APPLICABLE LAW. THE BORROWER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT, THE NOTES, OR THE LOAN AGREEMENT, AND ANY DOCUMENTS RELATING THERETO BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND HEREBY FURTHER IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE LENDER TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST THE BORROWER IN ANY OTHER COMPETENT JURISDICTION OR TO SERVE

PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW. THE BORROWER AND THE LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH THEY ARE PARTIES INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF OR, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT, THE NOTE OR THE LOAN AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER OR THEREUNDER AND WHETHER ARISING OR ASSERTED BEFORE OR AFTER THE DATE HEREOF OR BEFORE OR AFTER THE PAYMENT, OBSERVANCE AND PERFORMANCE OR THE BORROWER'S OBLIGATIONS UNDER THIS SECURITY AGREEMENT OR THE LOAN AGREEMENT OR NOTES.

4.12 Quiet Enjoyment. Notwithstanding any of the provisions of this Security Agreement, so long as no Event of Default (as defined in the Lease) shall be continuing, neither the Lender nor any person claiming by, through or under the Lender will interfere with the peaceful and quiet use and enjoyment by Lessee of the Cars in accordance with the Lease.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Mortgage, Security Agreement and Lease Assignment to be executed by their duly authorized officers as of the day first above written.

WITNESS:

Stacey Helm
John Mayhew

Executed on: July 13, 1992

GREENBRIER LEASING CORPORATION

By: Norriss M. Webb
Name: Norriss M. Webb
Title: Vice President

STATE OF OREGON)

)

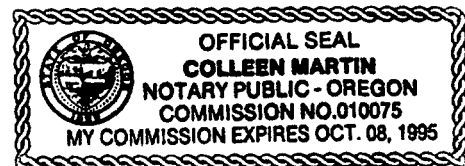
ss.

COUNTY OF CLACKAMAS)

On this 13th day of July, 1992, before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that he is the Vice President of Greenbrier Leasing Corporation that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Colleen Martin
NOTARY PUBLIC

My commission expires: 5/28/94
10-8-95



Mortgage, Security Agreement and Lease Assignment, dated as of July 1, 1992, between Greenbrier Leasing Corporation and National Bank of Canada, New York Branch, relating to 150 Husky-Stack® Container Cars Nos. GBRX 2400 through GBRX 2549, inclusive, and Replacement Cars.

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 14 day of July, 1992, before me a notary public in and for the State of New York, personally appeared JOSEPH KAPKOWSKI, known to me who, being by me duly sworn, did depose and say that he resides at NEW YORK, that he is a duly authorized Asst. Vice Pres. of National Bank of Canada, New York Branch, which is one of the parties that executed the foregoing instrument, and that he signed his name thereto as authorized by such corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp the day and year in this certificate first above written.

Susan B. Kintanar
Notary Public

SUSAN B. KINTANAR
Notary Public, State of New York
No. 31 - 4768913
Qualified in New York County
Commission Expires March 30, 1993 10/31/92

Mortgage, Security Agreement and Lease Assignment, dated as of July 1, 1992, between Greenbrier Leasing Corporation and National Bank of Canada, New York Branch, relating to 150 Husky-Stack Container Cars Nos. GBRX2400 through GBRX2549, inclusive, and Replacement Cars.

Schedule A
to Security Agreement
Description of Cars

One hundred fifty (150) Husky-Stack® single unit railcars built by Gunderson, Inc. bearing marks and numbers GBRX 2400 through GBRX 2549, inclusive.

SCHEDULE B

GREENBRIER LEASING CORPORATION

LEASE AGREEMENT

This LEASE AGREEMENT dated as of the 6th day June, 1991 (the "Agreement"), by and between Greenbrier Leasing Corporation, a Delaware corporation ("Lessor"), and Norfolk Southern Railway Company, a Virginia corporation ("Lessee"), located at 8 North Jefferson Street, Roanoke, Virginia 24042-0072.

W I T N E S S E T H:

1. Lease. Lessor agrees to furnish and lease to Lessee, and Lessee agrees to accept and use upon the terms and conditions herein set forth, the railroad cars ("Cars") covered by the riders attached hereto and such additional riders as may be added hereto from time to time by agreement of the parties (each such rider, a "Rider") and any and all other cars delivered to and accepted by Lessee and leased to Lessee by Lessor. Each Rider shall set forth the number of cars, the rental rate, term of use, car numbers and other pertinent information that may be desired by both parties. All Cars leased pursuant to such Riders, or otherwise delivered to and accepted by Lessee and leased to Lessee by Lessor, are subject to the terms of this agreement.

2. Delivery. Lessor agrees to deliver the Cars to Lessee at Lessee's expense at the location designated in the appropriate Rider as point of Delivery and Lessee agrees to accept such Delivery. Lessor's obligations as to such Delivery shall be subject to all delays resulting from causes beyond its control.

3. Inspection and Acceptance. Each Car shall be subject to Lessee's inspection upon delivery and Lessee shall execute a Certificate of Acceptance in the form set forth in Exhibit A hereto evidencing the fitness and suitability of each Car and Lessee's acceptance of such Car. The loading of any Car by Lessee or at its direction, shall constitute acceptance thereof by Lessee, and shall be conclusive evidence of the fit and suitable condition thereof for the purpose of transporting the commodities then and thereafter loaded therein or thereon. Loading of any Car by Lessor in the course of Lessor's delivery of Cars to Lessee shall not constitute "acceptance" by Lessee herewith.

4. Usage. Lessee agrees to use the Cars exclusively in its own service, except as hereinafter provided, in accordance with the provisions of the appropriate Rider. None of the Cars

shall be shipped beyond the boundaries of Canada or the United States or use for the transport of explosives or hazardous material except with the prior written consent of Lessor.

5. Rental Charge. Lessee agrees to pay the monthly rental charge ("Rental") set forth in the appropriate Rider with respect to each of the Cars from the date of delivery thereof and until such Car is returned to and accepted by Lessor. Each Rental shall be paid in advance on the first day of the month, prorating, however, any period which is less than a full month on the basis of a month of thirty (30) days. The Rental shall be payable without deduction, reduction, setoff or counterclaim of any kind, for any reason, whether or not related to this Agreement. Such Rentals shall be paid to Lessor at the address set forth in the appropriate Rider.

6. Limited Lessor Warranties. LESSEE WARRANTS ONLY THAT THE CARS PROVIDED UNDER THIS LEASE CONFORM TO THE REQUIREMENTS OF THE RELEVANT RIDER. LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF THE TYPE, DESIGN, SIZE, CAPACITY AND MANUFACTURERS SELECTED BY LESSEE. AS BETWEEN THE LESSOR AND LESSEE ANY AFFIRMATION OR PROMISE, DESCRIPTION, SAMPLE OR MODEL GIVEN BY THE LESSOR TO THE LESSEE WAS NOT INTENDED TO BECOME OR BE PART OF THE BASIS OF THE BARGAIN OF THIS LEASE AND AS SUCH NO EXPRESS WARRANTY WAS MADE OR GIVEN. ALL PRIOR, WRITTEN OR ORAL, AFFIRMATIONS OR PROMISES, DESCRIPTION, SAMPLES OR MODELS THAT ARE NOT CONTAINED HEREIN HAVE BEEN SUPERSEDED BY THE TERMS OF THIS AGREEMENT. THERE ARE NO OTHER EXPRESSED WARRANTIES OF ANY NATURE WHATSOEVER.

LESSEE ACKNOWLEDGES THAT LESSOR MAY SELL OR ASSIGN THE CARS AND THIS LEASE TO A THIRD PARTY, OTHER THAN THE MANUFACTURER OF THE CARS, (THE "ASSIGNEE"). IN SUCH CASE, LESSEE AGREES THAT WITHOUT WAIVING ANY RIGHTS IT MAY HAVE AGAINST LESSOR, ASSIGNEE IS NOT A MANUFACTURER OR REPRESENTATIVE THEREOF IN, MERCHANT IN, OR DEALER IN, THE EQUIPMENT; THAT ASSIGNEE HAS NO DUTY TO ENFORCE ANY MANUFACTURER'S WARRANTIES ON BEHALF OF LESSEE; THAT ASSIGNEE WILL NOT AND HAS NO OBLIGATION TO, INSPECT THE EQUIPMENT PRIOR TO DELIVERY TO LESSEE AND THAT ASSIGNEE HAS NOT MADE AND WILL NOT MAKE ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, ON WHICH LESSEE MAY RELY, WITH RESPECT TO: THE MERCHANTABILITY, FITNESS, SAFETY, CONDITION, QUALITY, DURABILITY OR SUITABILITY FOR LESSEE'S PURPOSES OF THE EQUIPMENT IN ANY RESPECT, THE EQUIPMENT'S COMPLIANCE WITH ANY LAW, RULE SPECIFICATION OR CONTRACT PERTAINING THERETO, LATENT DEFECTS, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED. ASSIGNEE SHALL NOT BE LIABLE TO LESSEE FOR ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN, WHETHER DIRECT, INDIRECT, EXEMPLARY OR PUNITIVE, WHETHER OR NOT ASSIGNEE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. Records and Reports Pertaining to Movement of the Cars. Upon Lessor's request, Lessee will furnish to Lessor on a monthly basis its internal reports, if any, of all loaded and empty miles for each Car both on its lines and on the lines of other railroads, including but not limited to, upon the request of Lessor, dates loaded and shipped, destination, and full junction routing.

8. Railroad Charges. Lessee agrees to reimburse Lessor for any payment Lessor may be required to make to any railroad due to mileage equalization, where applicable, resulting from excess empty mileage incurred by the Cars on such railroad. For the purpose of this paragraph, the railroad mileage and junction reports shall be prime facie evidence of the facts reported therein. In addition, if Lessor is required to make any payments to a railroad resulting from storage or the empty movement of any of the Cars while they are in Lessee's service, Lessee agrees to reimburse Lessor for such payments.

9. Loss, Destruction and Repairs. Lessee shall notify Lessor of the loss or destruction of, or damage to, any Car within two (2) days of receipt by Lessee or the knowledge of such event.

(a) Repairs. Lessor shall, at its expense, perform, arrange, and pay for all maintenance and repairs made necessary by ordinary wear and tear. Lessee shall not repair, or authorize the repair of, any of the Cars without Lessor's prior written consent, except that running repairs (as specified in the Association of American Railroads rules for interchange and the Canadian Transport Commission regulations governing interchange (together "Interchange Rules")) may be performed by Lessee or other railroads without prior written consent. The amount Lessor will pay for such running repairs shall not be in excess of the schedule of standard costs, in effect at the time the repair is made, provided by the Association of American Railroads and the Canadian Transport Commission, respectively. If any Car becomes unfit for service and requires repairs, other than repairs made by railroads, rental charges will cease two (2) days after delivery of such Car to a shop authorized by Lessor, provided that Lessee has notified Lessor prior to the time the Car is routed to shop. In the event Lessee fails to so notify Lessor, rental charges shall cease two (2) days after Lessor has received notice of the arrival of such Car at a shop authorized by Lessor. In all cases, after a Car has been repaired, rental charges will resume on the date the Car is available for forwarding to Lessee. It is understood that no rental credits will be issued for Cars in shop for repairs which are Lessee's responsibility.

Lessee shall not, without the prior written consent of Lessor, affix or install any accessory, part, equipment, or device on any Car if such addition will impair the originally intended function or use of such Car. All additions, repairs, parts, supplies, accessories, equipment and devices furnished, attached, or affixed to any Car shall thereupon become the property of Lessor (except for such as may be removed without in any way affecting or impairing the originally intended function or diminishing the value of the Car or use thereof or materially damaging the Car, and provided further that any damage caused by such removal is repaired by Lessee forthwith).

(b) Loss or Destruction. If any Car shall be lost, destroyed, or damaged to the extent that the physical condition is, in Lessor's opinion, such that it cannot be operated in railroad service, Lessee shall pay to Lessor an amount ("Loss Value") equal to the greater of (i) the Stipulated Loss Value of such Car as set forth in the appropriate schedule to each Rider, or (ii) the replacement value of such Car, which shall equal the amount payable by a railroad subscribing to the Interchange Rules as if the Car had been lost or destroyed while in the service of such railroad. Any Loss Value payable by Lessee to Lessor pursuant to this Section 9(b) shall be reduced by any amounts received by Lessor from any party responsible for such loss or destruction.

Upon receipt by Lessor of the notice of the Loss Value due for a lost, destroyed, or damaged Car, rental payments for that Car will cease. Lessor shall have the right, but shall not be obligated, to substitute for any such Car another car of the same type and capacity and the rental with respect to such substituted Car shall commence upon delivery of such substituted Car to Lessee.

(c) Removal from Service. In the event the physical condition of any Car shall become such that the Car cannot be operated in railroad service as determined by Lessor and Lessor elects to permanently remove such Car from Lessee's service, the rental with respect to such Car shall terminate upon the removal of such Car. Lessor shall have the right, but shall not be obligated, to substitute for any such Car another Car of the same type and capacity and the rental in respect to such substituted Car shall commence upon delivery of such substituted Car to Lessee.

10. Rules, Laws and Regulations. Lessee agrees to comply with all United States and Canadian governmental laws, regulations, requirements and rules (including the rules of the United States Department of Transportation and the Interstate Commerce Commission) and the Interchange Rules with respect to

the use, maintenance and operation of the Cars subject to this Agreement.

11. Lessee Responsibility. Lessee shall be responsible for and shall indemnify Lessor and hold Lessor harmless and does hereby release Lessor from the loss or destruction of, or damage to, the Cars or any parts thereof, or any commodities loaded or shipped therein or thereon, during the term of this Agreement; provided, however, Lessee shall not be responsible to the extent the then-prevailing Interchange Rules place responsibility upon a railroad subscribing to the Interchange Rules; and provided, further, that Lessee shall not be responsible if such loss, destruction, or damage to the Cars or parts thereof was caused by the sole active negligence or willful misconduct of Lessor. Notwithstanding anything contained herein to the contrary, Lessee shall be responsible for and shall indemnify Lessor and hold Lessor harmless and does hereby release Lessor from the loss or destruction of, or damage to, a Car or any part thereof during the term of this Agreement which shall (i) be occasioned by the misuse or negligence of Lessee, its consignee, agent or sublessee, or (ii) be caused by any commodity which may be transported or stored in or on such Car.

12. Indemnities. Lessee agrees to defend, indemnify and hold Lessor harmless from and against any loss, liability, claim, suit, damage or expense or whatsoever nature and regardless of the cause thereof arising out of or in connection with or resulting from the possession, use, loss of use, or operation of the Cars during the term of this Agreement, excepting, however, any loss, liability, claim, suit, damage, or expense which accrues with respect to any of the Cars (i) which is caused by the negligence of Lessor, its agents or employees in performing Lessor's maintenance obligation under Article 9 above; or (ii) for which a railroad has assumed full responsibility, including investigating and defending against any claim for damages.

13. Loss or Damage to Lading. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in or on the Cars, and Lessee agrees to assume financial responsibility for, to indemnify Lessor against, and to save Lessor harmless from any such loss or damage, unless caused by the sole active gross negligence or willful misconduct of Lessor.

14. Intentionally Left Blank

15. Load Limits. Lessee agrees not to load any of the Cars in excess of the load limit stenciled thereon.

16. Lessor's Inspection Rights. Lessor and its authorized representatives shall have the right to inspect the Cars and Lessee's records with respect thereto.

17. Charges. Lessee shall be liable for all charges and costs associated with the empty movement of Cars, including movement to and from repair facilities.

18. Sublease and Assignment. Lessee may not sublease any of the Cars and shall make no transfer or assignment of its interest under this Agreement in and to the Cars without Lessor's prior written consent, and any attempted sublease, transfer or assignment without such consent shall be void. No right, title, or interest in any of the Cars shall vest in Lessee by reason of this Agreement or by reason of the delivery to or use by Lessee of the Cars, except the right to use the Cars in accordance with the terms of this Agreement. Lessee shall keep the Cars free and clear of any lien or encumbrance and agrees to indemnify Lessor and hold Lessor harmless from any cost or expense, including attorneys' fees, with respect to such a lien or encumbrance.

Lessor shall have the right to assign this Agreement and/or any of Lessor's rights hereunder, including right to receive rentals, and Lessee hereby consents to and accepts any such assignment.

19. Default. If Lessee defaults in the payment when due of any sum of money under this Agreement; or if Lessee fails to perform any covenant or condition required to be performed by Lessee which failure shall not be remedied with ten (10) days after notice thereof from Lessor to Lessee; or if Lessee shall dissolve, make or commit any act of bankruptcy, or if any proceeding under any bankruptcy, or insolvency statute or any laws relating to relief of debtors is commenced by Lessee, or if any such proceeding is commenced against Lessee and same shall not have been removed within thirty (30) days of the date of the filing thereof; or if a receiver, trustee, or liquidator is appointed for Lessee for all or a substantial part of Lessee's assets with Lessee's consent, or if without Lessee's consent the same shall not have been removed within thirty (30) days of the date of the appointment thereof; or if an order, judgement or decree be entered by a court of competent jurisdiction and continue unpaid and in effect for any period of thirty (30) consecutive days without a stay of execution; or if a writ of attachment or execution is levied on any Car and is not discharged within ten (10) days thereafter, Lessor may exercise one or more of the following remedies with respect to the Cars:

(a) Immediately terminate this Agreement and Lessee's rights hereunder;

(b) Require Lessee to return the Cars to Lessor at Lessee's expense, and if Lessee fails to so comply, Lessor may take possession of such Cars without demand or notice and without court order or legal process;

(c) Lease the Cars to such persons, at such rental and for such period of time as Lessor shall elect. Lessor shall apply the proceeds from such leasing, less all costs and expenses incurred in the recovery, repair, storage, and renting of such Cars, toward the payment of Lessee's obligations hereunder. Lessee shall remain liable for any deficiency, which, at Lessor's option, shall be paid monthly, as suffered, or immediately, or at the end of the term as damages for Lessee's default;

(d) Declare all rent and other amounts then accrued or thereafter accruing from Lessee to Lessor under any provision hereunder immediately due and payable; or

(e) Pursue any other remedy which Lessor may have.

Each remedy is cumulative and may be enforced separately or concurrently. If Lessee fails to perform any of its obligations hereunder, Lessor, at Lessee's expense, and without waiving any rights it may have against Lessee for such nonperformance, may itself render such performance. In addition, Lessee shall, without expense to Lessor, assist Lessor in repossessing the Cars and shall, for a reasonable time if required, furnish suitable truckage space for the storage of the Cars.

If applicable, Lessor shall be entitled to the remedies of a Lessor under Section 1168 of the U.S. Bankruptcy Code.

20. Return Provisions. Lessee agrees, immediately upon the termination of each Rider, to return the Cars leased under such Rider to Lessor at the location indicated in such Rider, suitable for interchange service, empty and free from residue and in the same good condition as when each Car was delivered to Lessee by Lessor, ordinary wear and tear excepted. For the purposes of this Agreement, "ordinary wear and tear" shall mean any damage to the Cars which is not considered "unfair usage" pursuant to the AAR Rules of Interchange for 1988. Lessee shall, on demand, reimburse Lessor for the cost of damage to any of the Cars or to the fittings or appurtenances thereto, caused by the commodities transported therein or thereon. If any Car is returned to Lessor not free from accumulations or deposits, Lessor shall promptly notify Lessee and the Car shall remain on rental until the earliest of thirty (30) days from the date of return or the date the accumulations and deposits have been removed.

In the event that any Car is not delivered to Lessor as provided in this Section 20 on or before the end of the term specified for such Car in the appropriate Rider, all of the obligations of Lessee under this Agreement with respect to such Car shall remain in full force and effect until such Car is so delivered to Lessor; provided, however, in the event that any Car is not delivered to Lessor as provided in this Section 20 within thirty (30) days after the end of the term for such Car, the Rental for such Car shall, upon the expiration of such thirty (30) day period, be set at one and one-half times the Rental.

21. Taxes. Lessor agrees to assume responsibility for all property taxes levied upon the Cars and to file all property tax reports relating thereto. Lessee agrees to assume responsibility for and to pay any applicable sales, use or similar taxes resulting from the lease or use of the Cars.

In order to avoid loss, disallowance, recapture, or other diminution of any tax benefits claimed by Lessor with respect to the Cars, including, but not limited to any accelerated depreciation deduction allowable under Section 168 and related Sections of the Internal Revenue of 1986 (the "Code"), Lessee (i) shall use the Cars predominately within the continental United States within the meaning of the Code, (ii) shall cause third parties having control over the Cars to use the Cars predominately within the continental United States within the meaning of the Code, and (iii) shall not take or fail to take any action which, under Sections 48 or 168(g) of the Code, would cause Lessor to suffer a loss of any tax benefits otherwise available to Lessor under Section 168 of the Code.

If Lessor shall lose by disallowance, recapture or otherwise, any portion of said tax benefits as the result of any act committed by Lessee or any third party having control over the Cars or Lessee's or such third party's failure to take any act, Lessee agrees to pay Lessor a sum which, after deduction of all taxes required to be paid by Lessor in respect of the receipt thereof under the laws of the United States or any political subdivision thereof, shall be equal to the amount of the tax benefits so lost by Lessor, which sum shall be payable on written demand made at any time after payment of the tax attributable to the portion of the tax benefits lost; provided, however, that Lessee shall be under no obligation to indemnify Lessor for the amount of any tax benefits lost with respect to any Car for which Lessee has paid to Lessor the Loss Value set forth in Section 9 hereof.

22. Insurance.

(a) Lessee shall procure and maintain, at its sole cost and expense, comprehensive general liability insurance,

including contractual coverage for the liabilities assumed herein, with reputable and financially responsible insurance underwriters properly insuring Lessee, without exclusion for punitive damages, episodic injuries, hazardous materials transportation or otherwise, against liability and claims for (i) injuries to persons (including injuries resulting in death), environmental restoration and property damage in a combined single limit of not less than \$5,000,000 per occurrence, and (ii) any additional insurance as may be required by applicable laws, rules and regulations. Less shall furnish to Lessor, upon request, showing that such insurance has been procured and is being properly maintained.

(b) For so long as Lessee is a self-insurer, provides Lessor with a written statement to that effect and is qualified as such by Lessor, the provisions of this Section requiring Lessee to maintain insurance policies in the form and amounts set forth shall be waived. Lessor hereby acknowledges that Southern Railway Company is a qualified self-insurer at the date hereof and, upon request of the written statement referred to above, will waive the requirements of Section 22(a).

23. Representations and Warranties of Lessee. Lessee represents and warrants that, as of the date of this Agreement:

(a) Lessee is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and is either duly qualified to do business and is in good standing and in such other jurisdictions in which the business and activities of Lessee require such qualification, or its failure to so qualify in any such other jurisdiction will not have a material adverse impact on this Agreement.

(b) Lessee has full corporate power to enter into this Agreement.

(c) The Agreement had been duly authorized, executed, and delivered by Lessee, and constitutes a valid, legal and binding agreement, enforceable in accordance with its terms.

(d) No approval is required by Lessee from any governmental or public body or authority with respect to the entering into or performance of this Agreement.

(e) The entering into and performance of this Agreement will not conflict with, or result in a breach of, the terms, conditions, or provisions of (i) any law, or any regulation, order, injunction, permit, franchise, or decree of any court or governmental instrumentality, and (ii) any indenture, agreement, or other instrument to which Lessee is party or by which it or any of its property is bound.

SHOULD READ 50(6)(3) + 50(6)(4)

6/11/91

NEW
6/14/91

(f) Lessee is neither an organization described in Section ~~48(a)(4)~~ nor a governmental unit described in Section ~~48(a)(5)~~ of the Internal Revenue Code of 1986.

24. Notices. With regard to any Car, any notice, demand or request required or permitted to be made, given or served by either party to or upon the other hereunder, shall be in writing and shall be deemed to have been made when deposited in the United States or Canada mail, certified or registered mail, postage prepaid and addressed to Lessor or Lessee at the address set forth in the appropriate Rider.

25. Successors. This Agreement shall be binding upon the parties hereto, their respective successors, assigns and legal representatives; and shall remain in full force and effect from the date hereof until the completion of the leasing arrangement shown on each and every Rider, and all Cars the lease for which shall not have been earlier terminated are returned to Lessor.

26. Additional Provisions. Additional provisions of this Agreement, if any, will be set forth in the Riders.

27. Captions. Captions to any provision of this Agreement are for ease of reference only and are not to be construed to be part of this Agreement.

28. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement (such execution may be by two or more counterparts, each of which shall be deemed an original) as of the date and year first above written.

LESSEE:

NORFOLK SOUTHERN RAILWAY COMPANY

BY: M R Driscoll

TITLE: DIRECTOR MATERIAL MANAGEMENT

LESSOR:

GREENBRIER LEASING CORPORATION

BY: Norman M. Webb

TITLE: Vice President

L060411.NSR

EXHIBIT A

PURSUANT TO LEASE AGREEMENT DATED JUNE 6, 1991

CERTIFICATE OF ACCEPTANCE OF
RAILROAD CARS

This Certificate related to the railroad cars listed below leased by Greenbrier Leasing Corporation to Norfolk Southern Railway Company under a Lease Agreement dated June 6, 1991 (the "Agreement"), into which this Certificate is incorporated by Section 3 thereof.

DESCRIPTION OF CARS:

CAR NUMBERS:

Lessee hereby certifies the fitness and suitability and its unconditional acceptance of the railroad cars listed herein as of the date below written and hereby subjects said railroad cars to the Agreement.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Agreement are true and correct as of the date below written and that no event of default exists or with the passage of time would exist with regard to the Agreement.

Lessee hereby certifies that the undersigned officer signing on behalf of Lessee is duly authorized to execute and deliver this Certificate.

NORFOLK SOUTHERN RAILWAY COMPANY
Lessee

By: M R Daiscott

Title: DIRECTOR MATERIAL MANAGEMENT

Date: 6-13-91

L060411.NSR

RIDER NO. 1

PURSUANT TO LEASE AGREEMENT DATED JUNE 6, 1991
LESSEE: NORFOLK SOUTHERN RAILWAY COMPANY

- I. NUMBER OF CARS: One Hundred Fifty (150)
- II. DESCRIPTION OF CARS: Gunderson built Husky-Stack™ single-unit railcars.
- III. CAR NUMBERS: GBRX 2400 through GBRX 2549, inclusive
- IV. TERM: The term of the Agreement with respect to each car described in this Rider shall commence (the "Commencement Date") on the earlier to occur of a) the date that the last Car has been Delivered, or b) one hundred eighty (180) days from the date that the first car described in this Rider was Delivered, and shall continue for a period of sixty (60) months, (the "Term"). Lessee shall pay Interim Rent, as defined below, on Cars Delivered prior to the Commencement Date equal to the daily equivalent of the Fixed Rent based on a 30-day month ("Interim Rent"), payable monthly.
- V. RENTAL RATE ("RENTAL"):
 - a) Fixed Rent: Four Hundred Seventy and 02/100 Dollars (\$470.02) per Car per month for each of the first twelve (12) full calendar months ("Month") of the Initial Term and during any period where Interim Rent is due and payable, and Four Hundred Eighty-one and 63/100 Dollars (\$481.63) per Car per month thereafter.
 - b) Variable Rent: \$0.017 per Car per mile, loaded or empty including both on-line and off-line miles, commencing on the Commencement Date and continuing for thirty-six (36) months of the Term. Any and all Cars Delivered prior to the Commencement shall pay Interim Variable Rent equal to \$0.017 per Car per mile payable on the Commencement Date. Any incremental mileage in excess of one hundred fifty thousand (150,000) miles per year for any Car ("Incremental Mileage"), during any year of the Term will be charged a rate of \$0.019 per Car per mile. The Variable Rent and the rate for any Incremental Mileage will be subject to annual escalation, on each anniversary, beginning with the third anniversary of the Commencement Date, for the following year, beginning with an escalation

effective as of the beginning of the thirty-seventh (37th) month from the Commencement Date based on a formula tied to the AAR increase in the labor rate as set forth in Rider No. 1.1 attached. Variable Rent shall never become lower than the rate charged during the first thirty-six (36) months of the Term.

- VI. ANTICIPATED DELIVERY PERIOD: June - July, 1991
- VII. POINT OF DELIVERY: Portland, Oregon
- VIII. RETURN: Upon the expiration or termination of the Agreement with respect to the Car(s) described in this Schedule, without demand by Lessor, Lessee, at its sole expense, shall return such Car(s) to Lessor, pursuant to the terms of this paragraph and Section 20 of the Agreement and free of liens arising by, through or under Lessee, by delivering the Cars to Lessor at any maintenance, storage or terminal facility as Lessor designates to Lessee in writing.
- IX. THE CARS MAY BE USED ONLY FOR THE TRANSPORTATION OF THE FOLLOWING TYPES OF COMMODITIES: Containers
- X. IS A STIPULATED LOSS VALUE SCHEDULE ATTACHED TO AND MADE A PART OF THIS RIDER? Yes as Rider No. 1.2
- XI. SPECIAL ITEMS:
 - 1. Option to Turn Back Cars
 - a) Lessee is hereby granted the option to turn back all, but not less than all, the Cars to Lessor ("Option to Turn Back") by giving at least 60 days advance written notice of its intent or intention to do so; provided, however, that such Option to Turn Back shall only be exercisable between July 31, 1992 and March 31, 1993. Commencing upon the date Lessee exercises this Option to Turn Back, Lessor shall remarket the Cars on behalf of Lessee and shall fully indemnify Lessee against any rental shortfall or any other of Lessee's payment or performance obligations under the Agreement. Lessor shall execute and deliver any document reasonably required by Lessee in furtherance of and to confirm the indemnification contained herein.
 - b) If Lessee exercises the option contained in this subparagraph, i) the Agreement shall remain in full force and effect according to its terms, subject only to the Lessee indemnification described above,

and ii) Lessee agrees to store the Cars for up to 120 days free of charge at Lessor's risk.

2. Option to Purchase Cars

- a) Lessee is hereby granted the option to purchase all, but not less than all, the Cars subject hereto for a purchase price of \$42,947.85 per Car (the "Exercise Price"). Said option to purchase shall be exercisable by Lessee only if, at the time of exercise
 - 1) there shall exist on the part of Lessee no material breach or failure of performance pursuant to this Agreement and no condition or event which, with the running of time or the giving of notice, or both, would constitute such an event; and
 - 2) Lessee shall have given Lessor at least ninety (90) days advance written notice of the date of exercise ("Exercise Date"). The Exercise Date must occur no sooner than one (1) year after the Commencement Date and no later than March 31, 1993.
- b) Upon Lessee's notice of intent to exercise the option contained hereinabove, Lessor may in its sole and unfettered discretion, substitute for the Cars to be purchased, cars ("Substitute Cars") upon the following terms and conditions:
 - 1) The Substitute Cars shall be of equal or better quality than the Cars, of the same general capabilities and substantially similar dimensions.
 - 2) The Substitute Cars shall be delivered to Lessee as soon as practicable after the Exercise Date.
 - 3) Commencing upon the date of substitution and thereafter, for the remainder of the Term, Lessor shall remarket the Cars on behalf of Lessee and shall fully indemnify Lessee against any rental shortfall or any other of Lessee's payment or performance obligations under the Agreement. Lessor shall execute and deliver any document reasonably required by Lessee in furtherance of and to confirm the indemnification contained herein.

If Lessor exercises the option contained in this subparagraph (b), i) the Agreement shall remain in full force and effect according to its terms, subject only to the Lessee indemnification described above and ii) Lessee agrees to store the Cars for up to 120 days free of charge at Lessor's risk.

- c) In the event Lessor fails to exercise its option to provide Substitute Cars pursuant to the preceding subparagraph (b), the Agreement shall terminate upon the receipt by Lessor of the Exercise Price for all the Cars.

3. Option to Renegotiate

At Lessee's option, Lessee and Lessor shall enter into negotiations to extend the Term of this Agreement to fifteen (15) years upon mutually agreeable terms and conditions. This option may only be exercised by Lessee after July 31, 1992 but before March 31, 1993.

XII. ADDRESSING OF NOTICES:

If to Lessor:

Greenbrier Leasing
Corporation
One Centerpointe Dr.
Suite 200
Lake Oswego, OR 97035
Attn: President

If to Lessee:

Norfolk Southern Railway
Company
8 North Jefferson
Roanoke, Va 24042-0072

Executed and delivered as of June 14th, 1991, as a rider to and part of the above-referenced Lease Agreement between Lessor and Lessee.

LESSOR:

GREENBRIER LEASING CORPORATION

By: Norris M. Webb

Title: Vice President

Date: 6/14/91

LESSEE:

NORFOLK SOUTHERN RAILWAY
COMPANY

By: M R Driscoll

Title: DIRECTOR MATERIAL MANAGEMENT

Date: 6-13-91

L060411.NSR

RIDER NO. 1.1

MAINTENANCE ESCALATION FACTOR

This Rider No. 1.1 details the Variable Rent to be used for months 37 through 60 inclusive pursuant to Item V(b) of Rider No. 1 to the Lease Agreement.

1. For months 37 through 48 inclusive, the Variable Rent charge per Car per mile will be equal to the product of the applicable mileage charge, \$0.017 per Car per mile for all miles up to 150,000 miles per Car per year and \$0.019 per Car per mile for all miles in excess of 150,000 miles per Car per year, times a fraction the numerator of which is the AAR Labor Rate as of the January 1 immediately FOLLOWING the third anniversary of this Agreement and the denominator of which is the AAR Labor Rate as of the January 1 immediately PRECEDING the January 1 of the third anniversary of this agreement.

APPLICABLE	AAR LABOR RATE AS OF THE
MAINTENANCE = APPLICABLE x	JANUARY 1 IMMEDIATELY FOLLOWING
FACTOR PER CAR	THE THIRD ANNIVERSARY OF THIS
PER MILE MILEAGE	<u>AGREEMENT</u>
CHARGE	AAR LABOR RATE AS OF THE
	JANUARY 1 IMMEDIATELY PRECEDING
	THE THIRD ANNIVERSARY OF THIS
	AGREEMENT

2. For months 49 thorough 60 inclusive, the Variable Rent charge per Car per mile will be equal to the product of the applicable mileage charge, \$0.017 per Car per mile for all miles up to 150,000 miles per Car per year and \$0.019 per Car per mile for all miles in excess of 150,000 miles per Car per year, times a fraction the numerator of which is the AAR Labor Rate as of the January 1 immediately FOLLOWING the fourth anniversary of this Agreement and the denominator of which is the AAR Labor Rate as of the January 1 immediately PRECEDING the January 1 of the fourth anniversary of this agreement.

APPLICABLE	AAR LABOR RATE AS OF THE
MAINTENANCE = APPLICABLE x	JANUARY 1 IMMEDIATELY FOLLOWING
FACTOR PER CAR	THE FOURTH ANNIVERSARY OF THIS
PER MILE MILEAGE	<u>AGREEMENT</u>
CHARGE	AAR LABOR RATE AS OF THE
	JANUARY 1 IMMEDIATELY PRECEDING
	THE FOURTH ANNIVERSARY OF THIS
	AGREEMENT

L060411.NSR

RIDER NO. 1.2

CASUALTY LOSS VALUE SCHEDULE
PURSUANT TO LEASE AGREEMENT DATED JUNE 6, 1991
LESSEE: NORFOLK SOUTHERN RAILWAY COMPANY

The following Casualty Loss Values are expressed as a percent of the Original Equipment Cost of the Cars.

Original Equipment Cost per Car: \$44,933.00

<u>NUMBER OF PAYMENTS RECEIVED</u>	<u>PERCENTAGE</u>	<u>NUMBER OF PAYMENTS RECEIVED</u>	<u>PERCENTAGE</u>
1	104.00	31	102.80
2	103.98	32	102.68
3	103.96	33	102.56
4	103.94	34	102.43
5	103.92	35	102.30
6	103.89	36	102.16
7	103.87	37	102.03
8	103.85	38	101.89
9	103.83	39	101.75
10	103.81	40	101.61
11	103.79	41	101.45
12	103.77	42	101.30
13	103.75	43	101.13
14	103.73	44	100.96
15	103.71	45	100.78
16	103.70	46	100.60
17	103.69	47	100.41
18	103.67	48	100.21
19	103.65	49	100.03
20	103.61	50	99.85
21	103.56	51	99.66
22	103.51	52	99.46
23	103.45	53	99.26
24	103.37	54	99.06
25	103.32	55	98.85
26	103.25	56	98.63
27	103.17	57	98.41
28	103.09	58	98.19
29	103.00	59	97.95
30	102.90	60	97.72

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INTERSTATE COMMERCE COMMISSION

MEMORANDUM OF LEASE AGREEMENT

BETWEEN

GREENBRIER LEASING CORPORATION ("LESSOR")

AND

NORFOLK SOUTHERN RAILWAY COMPANY ("LESSEE")

JUNE 6, 1991

Memorandum of a Lease Agreement made and entered into as of June 6, 1991 by and between Greenbrier Leasing Corporation, a Delaware corporation, ("Lessor") and Norfolk Southern Railway Company, a Virginia corporation ("Lessee").

W I T N E S S E T H:

1. Lessor has agreed to furnish to Lessee, and the Lessee has agreed to lease from Lessor One-Hundred Fifty (150) Husky-Stack™ railcars bearing marks and numbers as follows: GBRX 2400 through GBRX 2549, inclusive.
2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the lease term, as described in the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

LESSOR: GREENBRIER LEASING CORPORATION

By:

Norris M. Webb, V.P.

LESSEE: NORFOLK SOUTHERN RAILWAY COMPANY

By:

M R Driscoll

STATE OF OREGON)
) ss.
COUNTY OF CLACKAMAS)

On this 14th day of June, 1991, before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that he is the Vice President of Greenbrier Leasing Corporation that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Janet E. Hudson
NOTARY PUBLIC

My commission expires: 5/28/94

STATE OF VIRGINIA)
CITY) ss.
~~COUNTY~~ OF ROANOKE)

On this 13TH day of JUNE, 1991, before me personally appeared MR DRISCOLL, to me personally known, who being by me duly sworn, says that he is the DIRECTOR MATERIAL MGMT. of Norfolk Southern Railway Company that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

RL Burk
NOTARY PUBLIC

My commission expires: 6-18-91

MASTER
APPENDIX A

GREENBRIER LEASING CORPORATION
FINANCING OF
150 HUSKY-STACK CONTAINER CARS

DEFINITIONS RELATING TO
LOAN AGREEMENT,
SECURITY AGREEMENT, ASSIGNMENT,
AND GUARANTEE AGREEMENT,
ALL DATED AS OF JULY 1, 1992

The definitions stated herein shall, except as otherwise provided, apply equally to both the singular and plural forms of the terms defined.

"AAR Rules of Interchange" shall mean those rules generally set forth by the Association of American Railroads, Mechanical Division, in the Field Manual of Interchange Rules as amended from time to time.

"Affiliate," with respect to a specified Person, means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of securities having ordinary voting power for the election of directors, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement," "this Agreement," "herein," "hereby," or other like terms mean the Operative Document in which such term is used.

"Amortization Schedule" shall have the meaning given such term in Section 7(b) of the Loan Agreement.

"Applicable Law" means all applicable laws, treaties, judgments, decrees, injunctions, writs and orders of any court, governmental agency or authority and rules, regulations, orders, directives, licenses and permits of any governmental body, instrumentality, agency or authority,

including, without limitation, the Environmental Protection Agency, the United States Department of Transportation, the Federal Railroad Administration, the ICC, the Association of American Railroads and the Canadian Transportation Commission and any successor agencies, and all orders and decrees of all courts and arbitrators in proceedings or actions in which the Person in question is a party.

"Assignment" means the Assignment of Rights Under the Purchase Agreement, dated as of July 1, 1992, by the Borrower to the Lender as security for the Obligations, substantially in the form of Exhibit A to the Loan Agreement, as the same may be further amended or supplemented from time to time.

"Borrower," means GREENBRIER LEASING CORPORATION, a Delaware corporation.

"Borrower's Cost" shall have the meaning assigned such term in the recitals of the Loan Agreement.

"Business Day" means any day other than a Saturday, Sunday or day on which commercial banking institutions in New York and Oregon (the jurisdiction in which the Borrower has its chief executive office) are required or authorized by law to be closed.

"Capital Lease", as applied to any Person, shall mean any lease of any property (whether real, personal or mixed) by that Person as lessee which, in accordance with GAAP, is or should be accounted for as a capital lease on the balance sheet of that Person.

"Capital Stock" of any Person means any and all shares, interests, participations or other equivalents (however designated) of capital stock and any rights, warrants or options to purchase corporate stock.

"Cars" means one or more of the Initial Cars and Replacement Cars.

"Code" means the United States Internal Revenue Code of 1986, as amended from time to time, or any similar legislation of the United States enacted to supersede, amend or supplement such Code, and the rules and regulations issued thereunder, as now and hereafter in effect, and any reference to a provision or provisions of the Code shall also mean and refer to any successor provisions, however designated or distributed.

"Collateral" has the meaning given such term in the Security Agreement.

"Commitment" of the Lender or "Lender's Commitment" means the commitment of the Lender referred to in Section 2(a) of the Loan Agreement.

"Commitment Letter" means the Letter Agreement dated April 6, 1992, among National Bank of Canada, New York Branch and The Greenbrier Companies, as the same may be amended, modified or supplemented from time to time.

"Dollars" and "\$" means the lawful currency of the United States of America.

"Environmental Actions" refers to any complaint, summons, citation, notice, directive, order, claim, litigation, investigation, proceeding, judgment, letter or other communication from any federal, state, local or municipal agency, department, bureau, office or other authority, or any third party involving a Hazardous Discharge (i) from or onto any of the Cars presently owned or properties presently or formerly owned or leased by the Borrower, its Affiliates, their respective predecessors or their respective lessees or (ii) from or onto any facilities which received solid or hazardous wastes from the Borrower, its Affiliates, their respective predecessors, or their respective lessees or involving any violation of any Environmental Laws.

"Environmental Laws" means any and all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any Governmental Authority regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Material or environmental protection or health and safety, as now or may at any time hereafter be in effect, including without limitation, the Clean Water Act also known as the Federal Water Pollution Control Act ("FWPCA"), 33 U.S.C. § 1251 et seq., the Clean Air Act ("CAA"), 42 U.S.C. §§ 7401 et seq., the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA"), 7 U.S.C. §§ 136 et seq., the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et seq., the Occupational Safety and Health Act as amended ("OSHA"), 29 U.S.C. § 655 and § 657, together, in each case, with any amendment thereto, and the regulations adopted and publications promulgated thereunder and all substitutions thereof.

"ERISA" means the Employee Retirement Income Security Act of 1974, as heretofore and hereafter amended, as codified at 29 U.S.C. §2001 et seq. and the regulations promulgated thereunder.

"Event of Acceleration" has the meaning given such term in Section 16 of the Loan Agreement.

"Event of Default" means a default under any Lease.

"Event of Loss" means the occurrence of any of the following events with respect to any Car then leased under a Lease:

(i) an insurance settlement shall be paid on account of an actual or constructive total loss of such Car;

(ii) such Car shall suffer an actual or constructive total loss;

(iii) such Car shall become unfit for commercial use by the Borrower, as determined in good faith by the Borrower as evidenced by a certificate of a Responsible Officer of the Borrower to such effect;

(iv) such Car shall be lost or stolen or shall otherwise disappear for a period in excess of 30 days;

(v) such Car shall become worn out or shall suffer destruction or damage beyond economic repair, as determined in good faith by the Borrower and evidence by a certificate of a Responsible Officer of the Borrower to such effect;

(vi) such Car shall be taken, condemned or requisitioned by any Governmental Authority; or

(vii) the Lessee shall be required to make a payment of Loss Value (as defined in the Norfolk Southern Lease) with respect to a Car under Section 9(b) of the Norfolk Southern Lease.

The date of such Event of Loss shall be the date of such loss, damage, condemnation, taking, requisition, disappearance or payment.

"Excepted Property" means (i) proceeds of permitted insurance separately maintained by and for the benefit of any

of the Borrower, (ii) the rights of any of the Borrower to enforce payment of any of the foregoing amounts, (iii) the rights of any of the Borrower to compromise or waive any such right or to modify, amend or waive any provision conferring any such right, and (iv) all interest on and proceeds of the foregoing.

"Facility" shall have the meaning assigned such term in the recitals of the Loan Agreement.

"FASB" means the Financial Accounting Standards Board.

"Fixed Rent" shall have the meaning assigned to such term in Paragraph V, Subparagraph (a) of Rider No. 1.

"Funding Date" means July 15, 1992.

"GAAP" shall mean generally accepted accounting principles consistently applied (except for accounting changes in response to FASB releases, or other authoritative pronouncements).

"GAAS" shall mean generally accepted accounting standards consistently applied (except for accounting changes in response to FASB releases or other authoritative pronouncements).

"Governmental Authority" shall mean any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or any court, in each case whether of the United States or foreign country, including, without limitation, the Environmental Protection Agency, the United States Department of Transportation, the Federal Railroad Association, the Association of American Railroads, the Canadian Transportation Commission and any successor agencies.

"Guarantee" shall mean the guarantee agreement guaranteeing payment of the Guaranteed Obligations by the Guarantor, dated as of July 1, 1992, in favor of the Lender, substantially in the form of Exhibit F to the Loan Agreement, as the same may be amended, modified or supplemented from time to time.

"Guaranteed Obligations" has the meaning given in Section 2 of the Guarantee.

"Guarantor" means Greenbrier Holdings, Inc., an Oregon corporation, and its successors.

"Guaranty Obligation" shall mean, as to any Person, any direct or indirect obligation of such Person guaranteeing or intended to guarantee any Indebtedness, Capital Lease, dividend or other monetary obligation ("primary obligation") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services, in each case, primarily for the purpose of assuring the owner of any such primary obligation, or (d) as a general partner of a partnership or a joint venturer of a Joint Venture in respect of Indebtedness of such partnership or such Joint Venture which is treated as a general partnership for purposes of Applicable Law unless such obligation of such Person with respect to such partnership or Joint Venture is as a matter of law or expressly made nonrecourse to such Person on terms acceptable to the Lender. The amount of any Guaranty Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guaranty is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder).

"Gunderson" means Gunderson Inc., the manufacturer of the Initial Cars.

"Hazardous Discharge" means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping of Hazardous Materials from or onto any of the Cars or properties presently or formerly owned or leased by the Borrower, any of its Affiliates, their respective predecessors or their respective lessees as well as from or onto any facilities which received solid or hazardous wastes generated by the Borrower, any of its Affiliates, their respective predecessors or their respective lessees.

"Hazardous Materials" means (a) any element, compound or chemical that is defined, listed or otherwise classified as a pollutant, toxic pollutant, toxic or hazardous substance, hazardous waste, special waste, extremely hazardous substance under any Environmental Laws;

(b) petroleum and its refined products, petroleum-derived substances and drilling fluids, production waters and other wastes associated with the exploration, development or production of crude oil or natural gas; (c) any electrical equipment containing oil that has more than 50 parts per million of polychlorinated biphenyls (PCBs); (d) any flammable substances, explosives or radioactive materials and (e) any raw materials used or stored by the Borrower, any of its Affiliates, their respective predecessors or their respective lessees, building components, including but not limited to, asbestos-containing materials and manufactured products containing Hazardous Materials.

"ICC" shall mean the Interstate Commerce Commission and any agency or instrumentality of the United States government succeeding to its functions.

"Indebtedness" shall mean, at any time and with respect to any Person, (i) indebtedness of such Person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services purchased (other than amounts constituting accrued expenses and trade payables (payable within 90 days) arising in the ordinary course of business); (ii) obligations of such Person in respect of letters of credit, acceptance facilities, or drafts or similar instruments issued or accepted by banks and other financial institutions for the account of such Person; (iii) obligations of such Person under Capital Leases; (iv) deferred payment obligations of such Person resulting from the adjudication or settlement of any claim or litigation and (v) indebtedness of others of the type described in clauses (i), (ii), (iii) and (iv) hereof which such Person has (a) directly or indirectly assumed by, or subject to a Guaranty Obligation of, such Person or (b) secured by a Lien on the assets of such Person, whether or not such Person has assumed such indebtedness.

"Initial Cars" shall mean one or more of the Cars numbered GBRX2400 through GBRX2549, inclusive, which were initially subject to the Norfolk Southern Lease pursuant to Rider No. 1.

"Interest Period" (a) with respect to the first Interest Period, beginning on and including the Funding Date and ending on and including the last day of the calendar month in which the Funding Date occurs; and (b) with respect to all subsequent Interest Periods, each successive period beginning on and including the first day following the end of the preceding Interest Period and ending on and including the

last day of the calendar month in which such Interest Period began; provided, however, that if any Interest Period would expire on a day which is not a Business Day such Interest Period shall expire on the next succeeding Business Day.

"Interest Rate" shall have the meaning given such term in Section 7(c) of the Loan Agreement.

"Joint Venture" means any Person in which no more than 50% of the equity interest is, at the time of which any determination is being made, directly or indirectly, owned or controlled by the Borrower, the Guarantor or one of their respective Affiliates.

"Lease" means the Norfolk Southern Lease and any other lease in effect from time to time and relating to the use of the Cars, whether permitted under the Loan Agreement or the Security Agreement or not.

"Lender" means National Bank of Canada, New York Branch, a Canadian chartered bank licensed to do business under the banking laws of the State of New York and any of its Affiliates to which any of the Notes are assigned in accordance with the Loan Agreement.

"Lender's Commitment," "Commitment of the Lender," or other like terms means the amount of the Commitment of the Lender required to be made by the Lender pursuant to Section 2 of the Loan Agreement.

"Lessee" means Norfolk Southern and its successors and permitted assigns, as Lessee under the Norfolk Southern Lease and any other lessee under a Lease.

"Lessee's Purchase Option" shall mean the Lessee's option to purchase the Cars at the end of the Lease Term in accordance with Paragraph XI, Subparagraph (1) of Rider No. 1.

"Lessor" means the Borrower as the lessor under a Lease.

"Lien" shall mean any transfer of ownership or purported transfer of ownership (whether by sale or otherwise), mortgage, pledge, lease, security interest, encumbrance, lien or charge of any kind whatsoever (including any conditional sale or other title retention agreement, any lease in the nature thereof, and the filing of or agreement to give any financing statement under the UCC of any jurisdiction).

"Loan Agreement" means the Loan Agreement, dated as of July 1, 1992, among the Borrower and the Lender referred to therein, as the same may be amended, modified or supplemented from time to time.

"Loss Value" shall have the meaning assigned to such term in Section 9(b) of the Norfolk Southern Lease.

"Margin Stock" shall be as defined in Regulation U of the Board of Governors of the Federal Reserve System.

"Material Adverse Effect" shall mean any change or effect that (a) has a materially adverse effect on the business, assets, properties, operations or financial condition of any of the Borrower, or the Guarantor, as the context requires, and their respective consolidated subsidiaries taken as a whole, (b) materially impairs the ability of the Borrower or the Guarantor, as the context requires, to perform any of their respective obligations under any Operative Document to which it is a party, or (c) materially impairs the validity or enforceability of, or materially impairs the rights, remedies or benefits available to the Lender under, any Operative Documents; provided, however, that any change or effect will be deemed to have a "Material Adverse Effect", if such change or effect when taken together with all other current changes or effects with respect to the Borrower or the Guarantor, as the context requires, and their respective consolidated subsidiaries (including all other changes and effects which, but for the fact that any representation or warranty contained herein is subject to a "Material Adverse Effect" exception, would cause such representation or warranty to be untrue) would result in a "Material Adverse Effect", even though, individually, such change or effect would not do so.

"Multiemployer Plan" shall mean a plan described in Section 3(37) of ERISA.

"Norfolk Southern" means the Norfolk Southern Railway Company, a Virginia corporation.

"Norfolk Southern Agreement" shall have the meaning given such term in Section 4(d)(xii).

"Norfolk Southern Lease" shall mean the Lease Agreement dated as of the 6th day of June, 1991 by and between Greenbrier Leasing Corporation and Norfolk Southern, including Riders Nos. 1, 1.1 and 1.2, as in effect on the date hereof.

"Notes" means the Secured Notes issued by the Borrower pursuant to Section 7(a) of the Loan Agreement substantially in the form set forth in Section 7(a) of the Loan Agreement.

"Obligations" shall mean the obligation of the Borrower to make due and punctual payment of principal of and interest on the Notes and all other monetary obligations of the Borrower to the Lender under the Loan Agreement, the Notes, the Security Agreement or any other of the Operative Documents.

"Officer's Certificate" means as to any company a certificate signed by the Chairman, the Vice Chairman, the President, any Vice President, any Assistant Vice President, the Treasurer or any Assistant Treasurer, the Secretary, or any Assistant Secretary.

"Operative Documents" means, collectively, Norfolk Southern Agreement, the Lease, the Loan Agreement, the Security Agreement, the Notes, the Assignment and the Guarantee.

"Overdue Rate" has the meaning given such term in Section 7(a) of the Loan Agreement.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"Permitted Liens" has the meaning given such term in Section 14 of the Loan Agreement.

"Person" shall mean any natural person, corporation, division of a corporation, partnership, trust, joint venture, association, company, estate, unincorporated organization or government or any agency or political subdivision thereof.

"Plan" means an employee benefit plan within the meaning of Section 3(3) of ERISA and including any multiemployer plan within the meaning of Section 3(37) of ERISA.

"Potential Event of Acceleration" means an event which but for the giving of notice or lapse of time or both would constitute an Event of Acceleration.

"Potential Event of Default" means an event which but for the giving of notice or the lapse of time or both would constitute an Event of Default.

"Purchase Agreement" means the Purchase Agreement dated May 1, 1991 (as heretofore amended, modified and supplemented), as such Purchase Agreement may hereafter be amended, modified or supplemented to the extent permitted by the terms of the Assignment.

"Registrar General" means the Register General of Canada.

"Regulations" means the Treasury Regulations, as amended from time to time, promulgated under the Code by the United States Treasury Department.

"Rental" shall have the meaning assigned to such term in Section 5 of the Norfolk Southern Lease and shall also include payments to the Borrower pursuant to Sections 8 and 21 of the Norfolk Southern Lease.

"Replacement Cars" shall mean any one or more Cars replacing one or more Cars subject to the Norfolk Southern Lease in accordance with the Loan Agreement, provided, however, that (i) such Replacement Cars shall have a value, useful life and utility at least equal to those of, and shall be in as good operating condition as, the Cars it replaces assuming that such Cars were in the condition and repair required to be maintained by the terms of the Loan Agreement, (ii) the Replacement Cars shall be free and clear of all Liens (other than Permitted Liens) and (iii) the Borrower makes such amendments in the Operative Documents, and makes such filings with the ICC, Registrar General and with such states, as the Lender shall request in order to establish and confirm their security interests in such Replacement Cars under the Loan Agreement, the Assignment and the Security Agreement.

"Reportable Event" shall mean any reportable event as defined in Section 4043(b) of ERISA, other than a reportable event as to which provision for 30 day notice to the PBGC would be waived under applicable regulations had the regulations in effect on the Funding Date been in effect on the date of occurrence of such reportable event.

"Rider" shall have the meaning assigned to it in Section 1 of the Lease.

"Rider No. 1" shall mean Riders Nos. 1, 1.1 and 1.2 to the Norfolk Southern Lease as in effect on the date hereof and as may be amended from time to time.

"Secured Notes" means the Notes issued by the Borrower pursuant to Sections 7(a) of the Loan Agreement substantially in the form set forth in Section 7(a) of the Loan Agreement.

"Security Agreement" the Mortgage, Security Agreement and Lease Agreement, dated as of July 1, 1992, between the Borrower and the Lender, substantially in the form of Exhibit G to the Loan Agreement securing, among other things, Obligations payable under the Loan Agreement, the Security Agreement and Notes.

"Subsidiary" shall mean, with respect to any Person, any corporation, association, joint venture, partnership or other business entity (whether now existing or hereafter organized) of which at least a majority of the voting stock or other ownership interests having ordinary voting power for the election of directors (or the equivalent) is, at the time as of which any determination is being made, owned or controlled by such Person or one or more subsidiaries of such Person or by such Person and one or more subsidiaries of such Person.

"Substitute Cars" shall mean any one or more of the Cars substituted for another Car pursuant to Paragraph XI, Subparagraph 2(b) of Rider No. 1.

"Supplemental Rent" means all amounts, liabilities, and obligations (other than Rental) that the Lessee assumes or agrees to pay under a Lease to the Lessor, including, without limitation, Loss Value payments referred to in Section 9(b) of the Norfolk Southern Lease, indemnity payments under Sections 11, 12, 13 and 22 of the Norfolk Southern Lease, whether or not designated as Supplemental Rent in any such case.

"Tax" means any and all fees (including, without limitation, license, documentation and registration fees), taxes (including without limitation income, gross receipts, sales, rental, use, turnover, value-added, property (tangible and intangible), excise and stamp taxes), licenses, levies, imposts, duties, recording charges or fees, charges, assessments or withholdings of any nature whatsoever, together with any and all assessments, penalties, fines, additions to tax and interest thereon.

"Term" means the period commencing on or before the Funding Date, in the case of the Norfolk Southern Lease, and beginning on the date stated in any other Lease, and ending on August 15, 1996.

"Transaction Costs" means all of the reasonable out-of-pocket costs, fees and expenses incurred by the Lender, the Guarantor and the Borrower in connection with the preparation, execution, delivery, filing and recording of the Operative Documents and the transactions contemplated thereby to occur on the Funding Date, including:

(i) the fees, expenses and disbursements of (A) Lord Day & Lord, Barrett Smith, special counsel for the Lender, and (B) Alvord and Alvord, special counsel for the Borrower and the Guarantor;

(ii) the cost of the appraisal referred to in Section 4(d)(ii) of the Loan Agreement;

(iii) the cost of filing and recording documents with the ICC and the Registrar General and filing financing statements; and

(iv) the fees and expenses of the Lender, including, without limitation, (A) the fees payable under the Commitment Letter or any other letter or agreement and (B) such fees and expenses in connection with the preparation, execution, delivery and administration of the Loan Agreement, the Security Agreement, the Notes, the making of the loan, including but not limited to any internally allocated audit costs.

"UCC" means the Uniform Commercial Code as in effect in the applicable states of the United States of America.

"U.S. Person" means any Person other than a Non-U.S. Person.

"Variable Rent" shall have the meaning assigned to such term in Paragraph V, Subparagraph (b) of Rider No. 1.